


EXHIBIT 2: CLAIM NO. 1288

B10 (Official Form 10) (04/13) (Modified)

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT of MICHIGAN		CHAPTER 9 PROOF OF CLAIM
Name of Debtor: City of Detroit, Michigan		Case Number: 13-53846
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): 36TH DISTRICT COURT, STATE OF MICHIGAN		COURT USE ONLY <input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ <i>(If known)</i> Filed on: _____
Name and address where notices should be sent: John T. Gregg, Esq., Barnes & Thornburg LLP 171 Monroe Avenue, NW, Suite 1000 Grand Rapids, MI 49503		
Telephone number: (616) 742-3930 email: jgregg@btlaw.com		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
Name and address where payment should be sent (if different from above): 36th District Court, State of Michigan, Attn: Hon. Michael J. Talbot 421 Madison Avenue Detroit, MI 48226		
Telephone number: (313) 965-2200 email: n/a		
1. Amount of Claim as of Date Case Filed: \$ <u>Unknown</u> If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>See attached addendum</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor:		3a. Debtor may have scheduled account as: _____ (See instruction #3a)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____		Basis for perfection: _____
Value of Property: \$ _____		Amount of Secured Claim: \$ _____
Annual Interest Rate (when case was filed) _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable		Amount Unsecured: \$ _____
5. Amount of Claim Entitled to Priority as an Administrative Expense under 11 U.S.C. §§ 503(b)(9) and 507(a)(2). \$ _____		
5b. Amount of Claim Otherwise Entitled to Priority. Specify Applicable Section of 11 U.S.C. § _____. \$ _____		
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		
7. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: _____		
8. Signature: (See instruction # 8) Check the appropriate box.		
<input type="checkbox"/> I am the creditor. <input type="checkbox"/> I am the creditor's authorized agent. <input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. <input type="checkbox"/> I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.) (See Bankruptcy Rule 3004.)		
I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.		
Print Name: <u>Hon. Michael J. Talbot</u> Title: <u>Special Judicial Administrator</u> Company: <u>36th District Court</u> Address and telephone number (if different from notice address above): <u>421 Madison Avenue</u> <u>Detroit, MI 48226</u>		 (Signature)
		<u>2/20/14</u> (Date)
Telephone number: (313) 965-2200 email: n/a		

36th DISTRICT COURT, STATE OF MICHIGAN

Addendum to Proof of Claim

The 36th District Court for the State of Michigan (the “36th District Court”) hereby asserts a contingent and unliquidated claim in an unknown amount against the City of Detroit, Michigan (the “City”). The 36th District Court is filing this Proof of Claim solely as a precaution, as any claims asserted against it by third parties are actually claims against the City.

A. Nature of the Claim

The State of Michigan is divided into judicial districts of the district court, each of which is an administrative unit subject to the superintending control of the Michigan Supreme Court. MCL § 600.8101. A district of the third class is a district consisting of one or more political subdivisions within a county and in which each political subdivision comprising the district is responsible for maintaining, financing and operating the district within its respective political subdivision. MCL § 600.8103(3); *see also* MCL § 600.8271(1) (requiring appropriation and budgeting of funds by funding unit for benefit of district court).

The thirty-sixth district is a district of the third class consisting solely of the City. MCL § 600.8121a(1). The City, therefore, is responsible for maintaining, financing and operating the 36th District Court. *Id.*; MCL § 600.8103(3). The 36th District Court does not receive advance funding from the City on an annual or other temporal basis. Instead, the City provides funding on an ongoing basis according to the needs and requirements of the 36th District Court by directly paying its creditors. *Id.* The primary exceptions to this funding scheme are the payment of salaries to the employees of the 36th District Court, which are paid directly by the City through separate payroll accounts maintained in the name of the City, and the payment of salaries to the judges of the 36th District Court, which are paid by the State of Michigan. *Id.*; MCL § 8202.

Prior to July 18, 2013 (the “Petition Date”), the 36th District Court was the subject of several pending actions, arbitrations and other proceedings. The majority of these actions were based on tort claims alleged by various employees and former employees against the 36th District Court and its representatives. In addition, the 36th District Court was a named defendant in certain actions alleging breach of contract, or was the subject of demands made for money damages by third parties. When monetary judgments or other awards are entered against the 36th District Court, the City is responsible for satisfying, and has historically and consistently satisfied, the claims of judgment creditors.

As of the date of this Proof of Claim, the 36th District Court was aware of the following unsatisfied claims arising prior to the Petition Date (the “Creditor Claims”) more fully described in Exhibit A attached hereto.¹ The Creditor Claims are not exclusive, as additional claims that

¹ Documents related to, or providing support for, Creditor Claims have not been attached to this Proof of Claim due to their voluminous nature. Any party seeking additional documentation related to this Proof of Claim may request copies of the same from counsel to the 36th District Court identified in the Proof of Claim.

allegedly arose prior to the Petition Date against the 36th District Court, and thus the City, may be asserted in the future.

B. Reservation of Rights

The 36th District Court reserves the right to amend this Proof of Claim at any time. The 36th District Court files this Proof of Claim without waiving or affecting in any manner whatsoever any rights that may hold against the City, including, but not limited to, its rights to request allowance of administrative expenses, assert setoff and/or recoupment, or commence an adversary proceeding or seek other relief related to the satisfaction of Creditor Claims and any other claims that may be asserted directly against the 36th District Court pursuant to the inherent powers doctrine. Finally, the 36th District Court reserves its right to file a proof of claim on behalf of any alleged creditor of the Court and the City in accordance with Fed. R. Bankr. P. 3005(a) and to vote to accept or reject any plan of adjustment pursuant to Fed. R. Bank. P. 3005(b).

EXHIBIT A

Plaintiff/ Grievant	Contact Information	Venue	Union	Estimate of Liability ¹	Status
Constance Grimes	Constance Grimes 29562 Grandon Livonia, MI 48150	EEOC	N/A	\$7,500	Settled
Carlton Carter Bobby Jones Richard Weatherly Roderick Holley	Carlton Carter 14450 Rosemont Detroit, MI 48223 Bobby Jones 14019 Prevost St. Detroit, MI 48227 Richard Weatherly 535 Meadowbrook Detroit, MI 48124 Roderick Holley 537 Meadowbrook Detroit, MI 48124	Arbitration	AFSCME 917	\$5,528,156.06	Arbitration subject to appeal before the Wayne County Circuit Court for the State of Michigan.
Arnette Rodgers Katrina Tate-Anderson Jaunice Flowers (Gooden) Cheryl Sharpley Anthony Cooper Wendell Finley	Arecia Stevens 17354 Greenlaw Detroit, MI 48221 Laura Hill P.O. Box 20471	E.D. Mich.	AFSCME 3308	Unknown	Due process claims of Moss, Stevens, Cruce, and Flowers (Gooden) settled for nominal amounts paid through insurer. Value of remaining Plaintiffs unknown. The claims of

¹ Nothing contained in the Proof of Claim, including this Exhibit A, should be construed as any admission of liability by the 36th District Court as to any claim asserted against it and/or the City. Unless resolved pursuant to settlement, the 36th District Court denies any and all liability with respect to the Creditor Claims identified herein. The amounts listed herein are based solely on the damages sought by the holders of the Creditor Claims, and do not include interest, fees, expenses and other charges.

Plaintiff/ Grievant	Contact Information	Venue	Union	Estimate of Liability ¹	Status
Arecia Stevens Crystal Allen-Cruce Keith Carter Laura Hill Alvita Moss	Ferndale, MI 48220 Arnette Rodgers Katrina Tate-Anderson Jaunice Flowers (Gooden) Cheryl Sharpley Anthony Cooper Wendell Finley Crystal Allen-Cruce Keith Carter Alvita Moss c/o Robert Fetter 600 W. Lafayette Blvd. Floor 4 Detroit, MI 48226				Rodgers, Anderson, Sharpley, Hill, Cooper and Finley remain pending. The terminations of Anderson, Sharpley, Cooper and Finley were upheld in arbitration, and their damages are unknown at this time. Laura Hill was reinstated without back pay. Rodgers' claims remain subject to arbitration.
Jonathan Mapp	Jonathan Mapp c/o Robert Fetter 600 W. Lafayette Blvd. Floor 4 Detroit, MI 48226	N/A	AFSCME 917	\$79,713	Pending
Estate of John Mazur	Estate of John Mazur c/o Ven Johnson 535 Griswold Street Ste. 2632 Detroit, MI 48226	WCC	N/A	\$65,000	Settled
AFSCME 3308	AFSCME 3308 c/o Robert Davis AFSCME Council 25	MERC	AFSCME 3308	Unknown	Complaint yet to be issued, fact finding scheduled.

Plaintiff/ Grievant	Contact Information	Venue	Union	Estimate of Liability ¹	Status
	Suite 500 600 W. Lafayette Detroit, MI 48226				
AFSCME 917	AFSCME 917 c/o Robert Davis AFSCME Council 25 Suite 500 600 W. Lafayette Detroit, MI 48226	MERC C13-C045	AFSCME 917	Unknown	Pending
AFSCME 917	AFSCME 917 c/o Robert Davis AFSCME Council 25 Suite 500 600 W. Lafayette Detroit, MI 48226	MERC C13 I-163	AFSCME 917	Unknown	Pending
AFSCME 3308	AFSCME 3308 c/o Robert Davis AFSCME Council 25 Suite 500 600 W. Lafayette Detroit, MI 48226	MERC	AFSCME 3308	Unknown	Subject to appeal.
AFSCME 3308	AFSCME 3308 c/o Robert Davis AFSCME Council 25 Suite 500 600 W. Lafayette Detroit, MI 48226	MERC C13 H155	AFSCME 3308	Unknown	Pending

Plaintiff/ Grievant	Contact Information	Venue	Union	Estimate of Liability ¹	Status
	Detroit, MI 48226				
Krystal Allen-Cruce	Krystal Allen-Cruce c/o Robert Davis AFSCME Council 25 Suite 500 600 W. Lafayette Detroit, MI 48226	Arbitration	AFSCME 3308	\$100,000	Pending
Dornita Cleveland	Dornita Cleveland 19432 Rutherford Detroit, MI 48235	Arbitration	AFSCME 3308	\$100,000	Settled
Alvita Moss	Alvita Moss c/o Robert Davis AFSCME Council 25 Suite 500 600 W. Lafayette Detroit, MI 48226	Arbitration	AFSCME 3308	\$100,000	Arbitrator's award directed reinstatement and back pay, estimated to be approximately \$400,000; appeal expected.
Arnette Rodgers	Arnette Rodgers c/o Robert Davis AFSCME Council 25 Suite 500 600 W. Lafayette Detroit, MI 48226	Arbitration	AFSCME 3308	\$100,000	Hearing to be scheduled; Rodgers filed for individual bankruptcy.